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## FISCAL IMPACT REPORT

SPONSOR Foley DATE TYPED 02/11/04 HB 483/aHAGC  
 SHORT TITLE Study Effects of Tularosa Desalination Plant SB \_\_\_\_\_  
 ANALYST Maloy

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$75.0		See Narrative	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
Office of the State Engineer

### SUMMARY

#### Synopsis of HAGC Amendment

The House Agriculture and Water Resources Committee amendment clarifies the proposed desalination plant is in Alamogordo.

#### Synopsis of Original Bill

House Bill 483 appropriates \$75.0 thousand from the General Fund to the Office of the State Engineer for expenditure in FY05 for a study by the Tularosa Community Ditch Association of the effects of the proposed water desalination plant on the water table and aquifer.

Any unexpended or unencumbered balance remaining at the end of FY 05 shall revert to the general fund.

Significant Issues

- “Desalination” relates to the removal of salt from water, thereby creating another source of “fresh water”.
- In light of New Mexico’s drought crisis, seeking alternative approaches to meeting the state’s water needs is prudent.

**ADMINISTRATIVE IMPLICATIONS**

There are no implications for the Office of the State Engineer. Responsibility for the study resides with the local community ditch association.

**OTHER SUBSTANTIVE ISSUES**

The Tularosa Community Ditch Association should be required to report its findings to the appropriate legislative committees upon conclusion of the study.

**SJM/dm**